

111TH CONGRESS
1ST SESSION

H. R. 1334

To provide for livable wages for Federal Government workers and workers
hired under Federal contracts.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 2009

Mr. GUTIERREZ (for himself, Ms. CORRINE BROWN of Florida, Ms. BALDWIN, and Mr. HINCHEY) introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for livable wages for Federal Government workers
and workers hired under Federal contracts.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Living Wage
5 Responsibility Act”.

6 **SEC. 2. POVERTY-LEVEL WAGE.**

7 (a) GENERAL RULE.—Notwithstanding any other
8 law that does not specifically exempt itself from this Act

1 and except as provided in subsection (b), the Federal Gov-
2 ernment and any employer under a Federal contract for
3 an amount exceeding \$10,000 (or a subcontract under
4 such a contract) shall pay to each of their respective work-
5 ers—

6 (1) an hourly wage (or salary equivalent) suffi-
7 cient for a worker to earn, while working 40 hours
8 a week on a full-time basis, not less than the
9 amount of the Federal poverty level for a family of
10 four (as published in the Federal Register by the
11 Department of Health and Human Services under
12 the authority of section 673(2) of the Community
13 Services Block Grant Act (42 U.S.C. 9902(2))); and

14 (2) an additional amount, determined by the
15 Secretary based on the locality in which a worker re-
16 sides, sufficient to cover the costs to such worker to
17 obtain any fringe benefits not provided by the work-
18 er's employer.

19 (b) EXEMPTIONS.—Subsection (a) does not apply to
20 the following:

21 (1) A small-business concern (as that term is
22 used in section 3 of the Small Business Act (15
23 U.S.C. 632)).

24 (2) A nonprofit organization exempt from Fed-
25 eral income tax under section 501(c) of the Internal

1 Revenue Code of 1986 (26 U.S.C. 501(c)), if the
2 ratio of the total wages of the chief executive officer
3 of such organization to the wages of the full-time
4 equivalent of the lowest paid worker is not greater
5 than 25 to 1.

6 (c) RETALIATION PROHIBITED.—It shall be unlawful
7 for any employer subject to subsection (a) to terminate
8 or suspend the employment of a worker on the basis of
9 such worker’s allegation of a violation of subsection (a).

10 (d) CONTRACT REQUIREMENT.—Any contract sub-
11 ject to subsection (a) shall contain a provision requiring
12 the Federal contractor to ensure that any worker hired
13 under such contract (or a subcontract thereof) shall be
14 paid in accordance with subsection (a).

15 **SEC. 3. ENFORCEMENT BY SECRETARY.**

16 (a) IN GENERAL.—If the Secretary determines (in a
17 written finding setting forth a detailed explanation of such
18 determination), after notice and an opportunity for a hear-
19 ing on the record, that a Federal contractor (or any sub-
20 contractor thereof) subject to section 2 has engaged in a
21 pattern or practice of violations of section 2, the following
22 shall apply to such Federal contractor:

23 (1) CONTRACT CANCELLATION.—After final ad-
24 judication of a pattern or practice of violations, the
25 United States may cancel any contract (or the re-

1 mainder thereof) with the Federal contractor that is
2 a part of the pattern or practice of violations.

3 (2) RESTITUTION.—A Federal contractor whose
4 contract is canceled under paragraph (1) shall be
5 liable to the United States in an amount equal to
6 the costs to the Government in obtaining a replace-
7 ment contractor to cover the remainder of any con-
8 tract canceled under paragraph (1).

9 (3) CONTRACT INELIGIBILITY.—After final ad-
10 judication of a pattern or practice of violations, the
11 Federal contractor shall be ineligible to enter into,
12 extend, or renew a contract with the United States
13 for a period of five years after the date of such adju-
14 dication.

15 (4) PUBLICATION.—Not later than 90 days
16 after final adjudication of a pattern or practice of
17 violations, the Secretary shall publish in the Federal
18 Register a notice describing the ineligibility of the
19 Federal contractor under paragraph (3).

20 (b) SAFE HARBOR.—Subsection (a) shall not apply
21 if—

22 (1) the Federal contractor has entered into a
23 consent agreement with the Secretary with regard to
24 a pattern or practice of violations of section 2 and

1 has paid to any aggrieved workers all wages due
2 them, to the satisfaction of the Secretary; or

3 (2) the Secretary determines, after consultation
4 with the affected Government entity, that cancella-
5 tion or debarment under subsection (a) would not be
6 in the best interests of the Nation or of such Gov-
7 ernment entity.

8 (c) JUDICIAL REVIEW.—Any Federal contractor ag-
9 grieved by an adverse determination of the Secretary
10 under subsection (a) may seek review of such determina-
11 tion in an appropriate court.

12 **SEC. 4. EMERGENCIES.**

13 The President may suspend the provisions of this Act
14 in times of emergency.

15 **SEC. 5. PRIVATE RIGHT OF ACTION.**

16 (a) ACTION.—A worker aggrieved by a violation of
17 section 2 may, in a civil action, recover appropriate relief.
18 A civil action under this section shall be filed not later
19 than 2 years after the commission of such violation. A civil
20 action may not be brought under this section if an em-
21 ployer subject to section 2 has paid or reinstated the work-
22 er as a result of an administrative action under section
23 3.

24 (b) RELIEF.—In this section, the term “appropriate
25 relief” means—

1 (1) injunction of a violation of section 2;

2 (2) actual damages or, if the court finds that
3 the employer willfully violated section 2, three times
4 actual damages;

5 (3) reasonable attorney fees and the costs of
6 the action; and

7 (4) any other relief the court deems appropriate
8 in the circumstances of the case.

9 **SEC. 6. RULEMAKING.**

10 The Secretary shall make rules to carry out this Act,
11 which shall take effect not later than 120 days after the
12 date of enactment of this Act.

13 **SEC. 7. DEFINITIONS.**

14 In this Act—

15 (1) the term “employer” means a person who
16 has economic power to set a worker’s terms and con-
17 ditions of employment, regardless of the formality of
18 an employment relationship;

19 (2) the term “fringe benefits” means—

20 (A) medical or hospital care or contribu-
21 tions to a health insurance plan;

22 (B) contributions to a retirement plan;

23 (C) life insurance;

24 (D) disability insurance; and

25 (E) vacation and holiday pay; and

- 1 (3) the term “Secretary” means the Secretary
2 of Labor.

